

**ASSET BASED FINANCE ASSOCIATION
QUARTERLY STATISTICS
TO MARCH 2016**

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1. CONTRIBUTORS

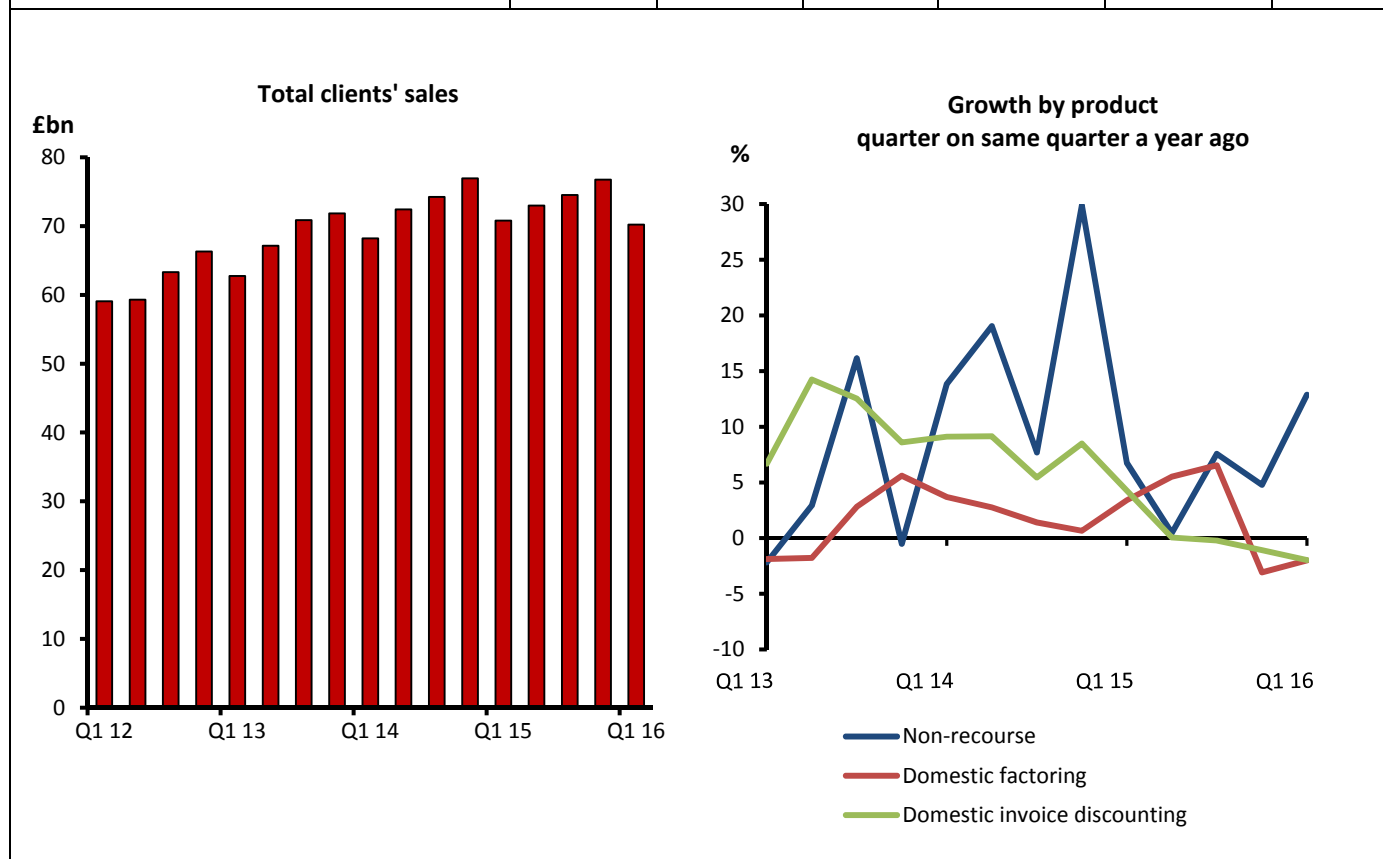
The members listed below contributed data for the period to March 2016:

<p>A ABN AMRO Commercial Finance AIB Commercial Finance Ltd – Northern Ireland AIB Commercial Finance Ltd – ROI Ireland Aldermore Invoice Finance Ashley Commercial Finance Ltd</p>	<p>H, I, J HH Cashflow Finance Hitachi Capital (UK) PLC HSBC Invoice Finance (UK) Ltd IGF Invoice Finance Ltd JSM Finance Ltd</p>
<p>B Bank of Ireland Commercial Finance – Northern Ireland Bank of Ireland Commercial Finance – ROI Ireland Barclays Trade and Working Capital Bibby Financial Services Ltd BNP Paribas Commercial Finance Ltd</p>	<p>K, L, M Leumi ABL Ltd Lloyds Bank Commercial Finance Ltd Metro Bank Asset & Invoice Finance</p>
<p>C, D Cavendish Investment Close Brothers Invoice Finance Ltd Clydesdale Bank plc & Yorkshire Bank Invoice Finance Danske Bank</p>	<p>P, Q, R Paragon Bank Business Finance PLC Positive Cashflow Finance Ltd Pulse Cashflow Finance Ltd Quantum Factors Ltd RBS Invoice Finance Regency Factors PLC</p>
<p>E, F Easy Invoice Finance Factor 21 PLC Factor 21 North</p>	<p>S, T Santander Invoice Finance Secure Trust Bank Commercial Finance Shawbrook Business Credit Siemens Financial Services Ltd Skipton Business Finance Ltd Team Factors Ltd</p>
<p>G GAPCAP Ltd GE Capital Bank Ltd Gener8 Finance Ltd</p>	<p>U, V, W Ulster Bank Invoice Finance - Northern Ireland Ulster Bank Invoice Finance – ROI Ireland Ultimate Finance Group Wells Fargo Capital Finance Working Capital Partners Ltd</p>

2.1. CLIENTS' SALES

The statistics below represent the aggregate of all those members contributing data.

CLIENTS' SALES (£M) (All products)	Quarter ended ...			Year-to-date ...		
	Mar 16	Mar 15	% Change	Mar 16	Mar 15	% Change
Domestic factoring	4,509	4,601	-2%	4,509	4,601	-2%
Domestic invoice discounting	60,458	61,667	-2%	60,458	61,667	-2%
Export factoring	292	307	-5%	292	307	-5%
Export invoice discounting	4,844	4,075	19%	4,844	4,075	19%
Import factoring	141	174	-19%	141	174	-19%
Total clients' sales	70,244	70,824	-1%	70,244	70,824	-1%
Non-recourse included in total above	8,901	7,885	13%	8,901	7,885	13%
Credit protection payments to clients	7.4	6.9	7%	7.4	6.9	7%



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2.2. BALANCES AT THE PERIOD END

BALANCES AT PERIOD END (£M) (All products)	Balances as at the end of ...		
	Mar 16	Mar 15	% Change
Pure invoice finance – advances against debt	15,359	15,204	1%
Invoice finance plus – advances against debt plus other assets	196	197	-1%
ABL facilities:			
Advances against debt	2,429	2,323	5%
Advances against stock	601	579	4%
Advances against plant and machinery	358	261	37%
Advances against property	146	128	14%
Advances against other assets	102	95	7%
<i>Total excluding other commitments</i>	<i>19,191</i>	<i>18,787</i>	<i>2%</i>
Other commitments	65	19	242%
Total advances	19,256	18,806	2%
Total funding available	28,362	27,760	2%
Total facilities agreed	39,703	38,656	3%
Debtor outstandings	36,377	36,261	0%
Stock	2,322	2,475	-6%
Plant and machinery	852	665	28%
Property	283	207	37%
Other trading assets	11	148	-93%
Total security values	39,845	39,756	0%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Mar 16	Mar 15	% Change
Domestic factoring	16,655	17,178	-3%
Domestic invoice discounting	20,100	19,707	2%
Export and mixed export + domestic	5,607	5,439	3%
Import factoring	561	612	-8%
Stock Finance	113	115	-2%
ABL facilities	898	739	22%
Total number of clients	43,934	43,790	0%
Clients lost in quarter	2,021	2,173	-7%
Clients gained in quarter	2,016	2,258	-11%

ABFA STATISTICS

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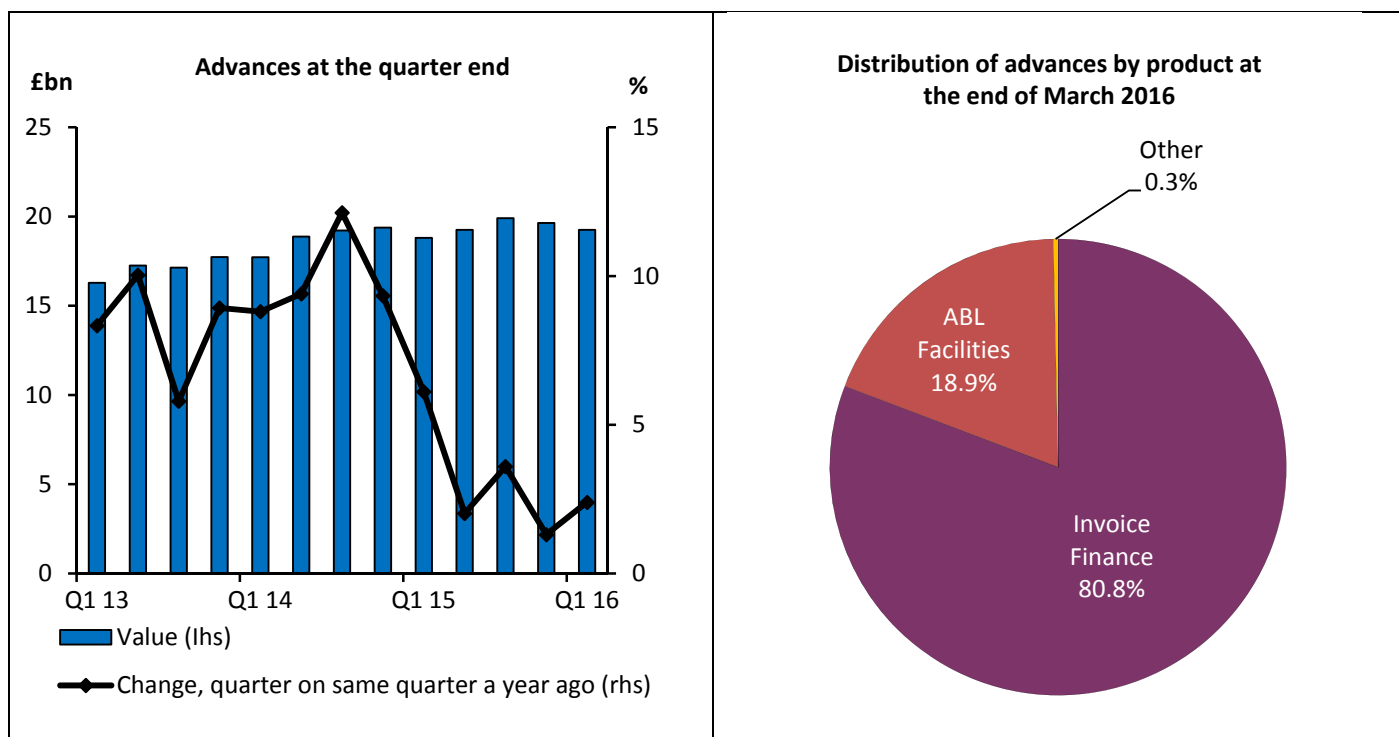
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2.3. ANALYSIS OF SOLE LENDER AND SYNDICATE DEALS

	For the quarter ended March 2016			Total deals
	Sole lender deals	Syndicate deals		
		Lead	Non-Lead	
Clients' sales volumes (£m)	60,406	9,838	N/A	70,244
Advances at the period end (£m)	16,924	1,063	1,269	19,256
Number of clients at period end	43,828	106	N/A	43,934

2.4. ANALYSIS OF ADVANCES AND CLIENT NUMBERS BY SIZE OF CLIENT TURNOVER

Client annual turnover bands £m	Number of clients at the quarter end	Advanced at the quarter end £m
0.0 – 0.5	13,829	784
0.5 – 1.0	6,439	489
1.0 – 5.0	15,073	2,888
5.0 – 10.0	4,066	2,020
10.0 – 25.0	2,585	3,061
25.0 – 50.0	1,086	2,013
50.0 – 100.0	470	2,050
Over 100.0	386	5,951
Total	43,934	19,256



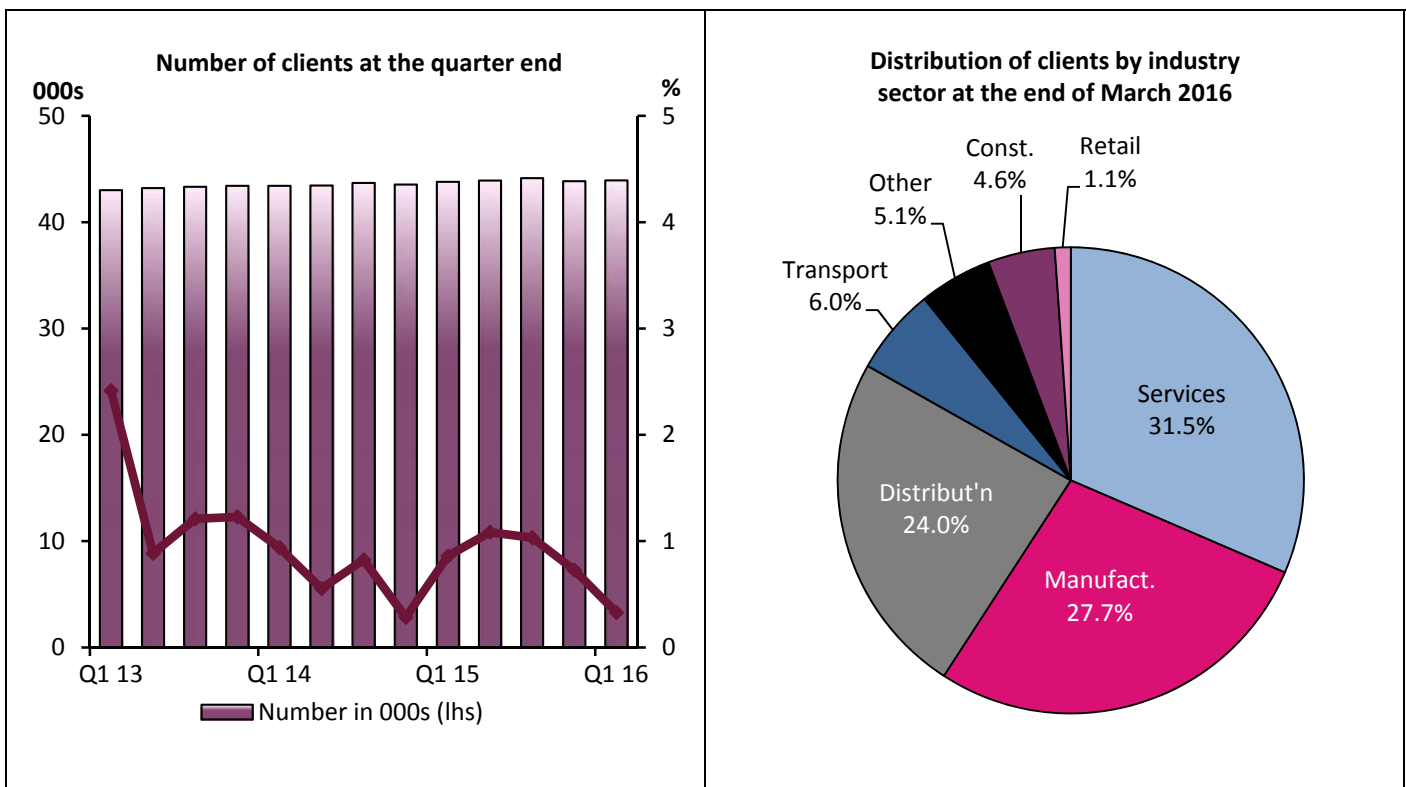
2.5. ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	12,169
Distribution	10,546
Services	13,824
Transport	2,648
Retail	483
Construction	2,040
Other	2,224
Total	43,934

2.6. AVERAGE NUMBER OF DEBTOR DAYS OUTSTANDING

Results based on taking a simple average of those members reporting data:

Factoring clients	54.6
Discounting clients	53.9



3. AGGREGATE RESULTS OF THE MEMBERS IN THE REPUBLIC OF IRELAND

In the following tables figures are quoted in euros (€). Notes 1 and 2 on page 7 should be read in conjunction with this section.

CLIENT'S SALES VOLUME (€M) (All products)	Quarter ended ...			Year-to-date ...		
	Mar 16	Mar 15	% Change	Mar 16	Mar 15	% Change
Total clients' sales	5,690	6,169	-8%	5,690	6,169	-8%

BALANCES AT PERIOD END (€M) (All products)	Balances as at the end of ...		
	Mar 16	Mar 15	% Change
Total advances	1,208	1,245	-3%
Total securities values	3,097	2,844	9%
Total funding available	2,245	2,252	0%
Total funding agreed	3,352	3,464	-3%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Mar 16	Mar 15	% Change
Total number of clients	1,955	1,912	2%
Clients lost in quarter	22	44	-50%
Clients gained in quarter	25	43	-26%

ANALYSIS OF ADVANCES AND CLIENT NUMBERS BY SIZE OF CLIENT TURNOVER

Client annual turnover bands (£m)	Number of clients at the quarter end	Advanced at the quarter end €m
0.0 – 0.5	279	92
0.5 – 1.0	254	66
1.0 – 5.0	916	302
5.0 – 10.0	277	171
10.0 – 25.0	137	114
25.0 – 50.0	47	163
50.0 – 100.0	29	107
Over 100.0	16	193
Total	1,955	1,208

ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	370
Distribution	802
Services	372
Transport	79
Retail	72
Construction	27
Other	233
Total	1,955

Notes to the Republic of Ireland statistics

1. The group comprises of:

- AIB Commercial Finance – ROI Ireland;
- Bank of Ireland Commercial Finance – ROI Ireland;
- Bibby Financial Services Ltd;
- Danske Bank;
- Lloyds Bank Commercial Finance Ltd;
- Ulster Bank Invoice Finance – ROI Ireland

2. Data on the average number of debtor days outstanding for factoring and discounting clients have not been published since not all contributors are currently able to supply this information.

3. TRENDS IN BUSINESS LENDING

The UK economy slowed in the first quarter of 2016 as GDP grew by only 0.4% compared with the previous quarter. The services sector continued to report relatively strong growth, with output up by 0.6% compared with Q4 2015. But manufacturing and construction output fell in Q1 2016 by 0.4% and 1.0% respectively. A weaker global economic outlook and uncertainty about the outcome of the EU membership referendum means the UK economy is expected to grow by only 2.0% in 2016 as a whole.

Overall, **net lending** to private non-financial corporations (PNFCs) grew by 2.3% in the twelve months to March 2016. Total **gross lending** to PNFCs continued to grow in the twelve months to March 2016, although at its slowest rate for more than two years. Over that period, gross lending to SMEs and large businesses grew by 5.3% (to £59.0 billion) and 7.8% (to £154.7 billion) respectively.

In Q1 2016, the **total net funds** raised by PNFCs in the UK was £16.9 billion, the highest level recorded since Q1 2008. Net bond issuance and net funds raised through loans were particularly strong in Q1 2016, reaching £9.2 billion and £6.1 billion respectively.

Asset finance new business provided through **leasing and hire purchase** by members of the Finance & Leasing Association grew in Q1 2016 by 8% compared with Q1 2014, to £7.5 billion.

In Q1 2016, the vehicle finance sectors reported the strongest new business growth. Commercial vehicle finance and business car finance each grew by 9% compared with Q1 2015. By contrast, business equipment finance and plant and machinery finance increased by only 3% and 1% respectively over the same period, while growth in IT equipment finance was flat.

